

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

FREE SPEECH SYSTEMS, LLC,
Plaintiff,
v.
PETER MENZEL,
Defendant.

Case No. 19-cv-00711-WHO

**ORDER GRANTING IN PART AND
DENYING IN PART MOTION TO
DISMISS AND DENYING MOTION TO
STRIKE**

Re: Dkt. Nos. 22, 23

In this action, plaintiff Free Speech Systems, LLC (“FSS”) seeks a declaration that it has not directly, contributorily, or vicariously infringed on defendant Peter Menzel’s copyrights. Menzel filed a First Amended Answer and Counterclaims (FAAC) that raises several affirmative defenses to FSS’s complaint and seeks relief against FSS for copyright infringement and violation of the Digital Millennium Copyright Act. Before me are FSS’s Motion to Dismiss Menzel’s amended counterclaims and a Motion to Strike most of Menzel’s affirmative defenses. Menzel has not stated a claim for contributory negligence because he did not identify a third party infringer, and has not stated a DMCA claim because he did not describe which photographs had copyright management information (CMI) removed or what the removed CMI was. He has leave to amend those claims. Otherwise, FSS’s motions are denied.

BACKGROUND

Peter Menzel is a resident of Napa and a photographer. FAAC, pg. 2 ¶ 2 [Dkt. No. 20] (admitting allegations in Complaint). In a series of photographs that Menzel posted on his website and used in his book, *Hungry Planet: What the World Eats*, Menzel showed the weekly food purchases of families from around the world. *Id.*, pg. 2 ¶ 8, pg. 8 ¶ 8. He published and registered the book, which included the photographs, and hosted the photographs on his website, “where each image was accompanied by a textual credit” noting Menzel’s ownership and included “metadata” in the image files. *Id.*, pg. 8 ¶ 8, pg. 9 ¶ 9. *Hungry Planet* also included a textual credit attributing the ownership and authorship of the photographs to Menzel. *Id.*, pg. 9 ¶ 10. He

1 licensed “a number” of the photographs to media outlets, requiring his licensees to include a
2 textual credit or metadata reflecting his authorship and ownership. *Id.*, pg. 9 ¶ 9.

3 FSS is a limited liability company based in Texas and the owner and operator of InfoWars,
4 a “news and opinion website.” *Id.*, pg. 2 ¶¶ 1, 6. On April 30, 2012, after the book’s publication
5 and the posting of the photograph’s on Menzel’s website, a post (Post) titled *Amazing Photos*
6 *Show What the World Really Eats* appeared on InfoWars. *Id.*, pg. 10 ¶ 18; Compl. Ex. 1 (Post) at
7 2 [Dkt. No. 1-1].¹ The Post featured nine of Menzel’s *Hungry Planet* photographs without his
8 authorization or consent. FAAC, pg. 9 ¶ 11, pg. 11 ¶ 20. While the Post attributes the
9 photographs to Menzel’s book, it does not attribute them to Menzel specifically. Post at 2. At the
10 end of the Post is a sentence explaining that the article “first appeared at *Natural Society*.” Post at
11 7.²

12 FSS alleges that Menzel sent it a cease and desist letter dated December 26, 2018, asserting
13 FSS posted the photos without his authorization and requesting that FSS remove his photographs
14 from InfoWars. Compl. Ex. 2 (C&D Letter) at 2-3 [Dkt. No. 1-2]. FSS responded to the letter on
15 January 10, 2019, and told Menzel that it removed the Post and his photographs from its website.
16 Compl. Ex. 3 (Response Letter) at 2 [Dkt. No. 1-3].

17

18 ¹ In its Motion to Dismiss, FSS asks for judicial notice of the Post as it appeared on InfoWars,
19 arguing that the Post has been incorporated by reference through Menzel’s references to it in his
20 FAAC. Mot. to Dismiss (MTD) 2 n.1 [Dkt. No. 22]; Compl. Ex. 1 (Post). Under the
21 “incorporation by reference” doctrine, a court may “consider materials incorporated into the
22 complaint or matters of public record,” including “documents in situations where the complaint
23 necessarily relies upon a document or the contents of the document are alleged in a complaint, the
document’s authenticity is not in question and there are no disputed issues as to the document’s
relevance.” *Coto Settlement v. Eisenberg*, 593 F.3d 1031, 1038 (9th Cir. 2010). Because Menzel
repeatedly refers to the Post and includes its web address in his counterclaims (FAAC, pg. 10 n.1),
and in opposition does not oppose the request or dispute that Exhibit 1 to FSS’s Complaint is a
true and correct copy of the Post, this request is GRANTED.

24 ² FSS also seeks judicial notice of other information, including the fact that the Post included a
25 hyperlink to the amazon.com page where *Hungry Planet* could be purchased (MTD 2 n.2), as well
26 as the fact that when a reader clicks on the photographs in the Post as it appeared on the InfoWars
site, the reader was “taken” to the naturalsociety.com website “where the images are stored.”
MTD 3 & n.4. However, FSS provides no authority that on a motion to dismiss I can take judicial
notice of the underlying code in a copy of the Post located at some location at some unknown
time. The underlying code in the Post and the location of any hyperlinks in the Post that “pointed
to” during the relevant time period must be shown through admissible evidence. Absent apposite
case authority, those “facts” are not subject to judicial notice in support of its Motion to Dismiss.

In the cease and desist letter, Menzel alleged that FSS violated the Copyright Act through its unauthorized use of his photographs and violated the DMCA by removing his Copyright Management Information (CMI) from the photographs displayed on the InfoWars site. C&D Letter at 2-3. FSS denied the allegations, contending that Menzel’s claims were time-barred, that the doctrine of fair use protected FSS’s use of the photographs, and that FSS had no intention of infringing Menzel’s copyrights. Response Letter at 2-4. Subsequently, FSS invited Menzel to make a reasonable settlement demand to avoid litigation. Compl. Ex. 4 (Email Exchange) at 4 [Dkt. No. 1-4]. On January 22, 2019, Menzel authorized a settlement demand. Compl. Ex. 5. (Demand Letter) at 5 [Dkt. No. 1-5]. FSS filed a complaint for declaratory relief under 28 U.S.C. § 2201 on February 8, 2019. Compl. ¶ 1 [Dkt. No. 1].

11 FSS's Complaint requests a declaration that its use of Menzel's photographs did not
12 infringe on his copyrights, a declaration that the three-year statute of limitations bars Menzel from
13 bringing copyright infringement claims, and an award of its reasonable costs and expenses,
14 including attorney fees. *Id.* ¶ 24. In the Amended Answer and Counterclaims, Menzel raises
15 twelve affirmative defenses, including an assertion that FSS fails to state a declaratory relief claim
16 and that FSS's request for attorney fees is improper. FAAC, pg. 4 ¶ 1, pg. 6 ¶ 10. Menzel also
17 asserts his own claims for copyright infringement and violation of the DMCA against FSS and
18 additional unnamed counterdefendants. *Id.*, pg. 8 ¶ 6, pg. 10 ¶ 16, pg. 12 ¶ 27.

In its Motion to Dismiss Menzel’s counterclaims, FSS argues that Menzel’s claims are time-barred, that he fails to state a claim for copyright infringement, and that he fails to state a claim for violation of the DMCA. MTD 4, 6, 14. FSS also asserts that its use of Menzel’s photographs is protected under the fair use doctrine as a matter of law. *Id.* 8. It also seeks to strike ten of Menzel’s twelve affirmative defenses, contending that those defenses are redundant, impertinent, and that Menzel fails to plead sufficient facts. Mot. to Strike 1, 5 [Dkt. No. 23].

LEGAL STANDARD

26 I. MOTION TO DISMISS

Under Federal Rule of Civil Procedure 12(b)(6), a district court must dismiss a complaint if it fails to state a claim upon which relief can be granted. The same standard applies when

evaluating a motion to dismiss a counterclaim. *Swingless Golf Club Corp. v. Taylor*, 679 F. Supp. 2d 1060, 1066 (N.D. Cal. 2009). To survive a Rule 12(b)(6) motion to dismiss, the plaintiff must allege “enough facts to state a claim to relief that is plausible on its face.” *See Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 570 (2007). A claim is facially plausible when the plaintiff pleads facts that “allow the court to draw the reasonable inference that the defendant is liable for the misconduct alleged.” *See Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (citation omitted). There must be “more than a sheer possibility that a defendant has acted unlawfully.” *Id.* While courts do not require “heightened fact pleading of specifics,” a plaintiff must allege facts sufficient to “raise a right to relief above the speculative level.” *See Twombly*, 550 U.S. at 555, 570.

In deciding whether the plaintiff has stated a claim upon which relief can be granted, the Court accepts the plaintiff’s allegations as true and draws all reasonable inferences in favor of the plaintiff. *See Usher v. City of Los Angeles*, 828 F.2d 556, 561 (9th Cir. 1987). However, the court is not required to accept as true “allegations that are merely conclusory, unwarranted deductions of fact, or unreasonable inferences.” *See In re Gilead Scis. Sec. Litig.*, 536 F.3d 1049, 1055 (9th Cir. 2008).

If the court dismisses the complaint, it “should grant leave to amend even if no request to amend the pleading was made, unless it determines that the pleading could not possibly be cured by the allegation of other facts.” *See Lopez v. Smith*, 203 F.3d 1122, 1127 (9th Cir. 2000). In making this determination, the court should consider factors such as “the presence or absence of undue delay, bad faith, dilatory motive, repeated failure to cure deficiencies by previous amendments, undue prejudice to the opposing party and futility of the proposed amendment.” *See Moore v. Kayport Package Express*, 885 F.2d 531, 538 (9th Cir. 1989).

II. MOTION TO STRIKE AFFIRMATIVE DEFENSES

Federal Rule of Civil Procedure 12(f) provides that a court “may strike from a pleading an insufficient defense or any redundant, immaterial, impertinent, or scandalous matter.” Fed. R. Civ. P. 12(f). The function of a motion to strike under Rule 12(f) is to avoid the expenditure of time and money that must arise from litigating spurious issues by dispensing of those issues before trial. *See Fantasy, Inc. v. Fogerty*, 984 F.2d 1524, 1527 (9th Cir. 1993), *rev’d on other grounds*,

1 510 U.S. 517 (1994) (citation omitted). Motions to strike “are generally disfavored because they
2 are often used as delaying tactics and because of the limited importance of pleadings in federal
3 practice.” *Rosales v. Citibank*, 133 F. Supp. 2d 1177, 1180 (N.D. Cal. 2001). In most cases, a
4 motion to strike should not be granted unless “the matter to be stricken clearly could have no
5 possible bearing on the subject of the litigation.” *Platte Anchor Bolt, Inc. v. IHI, Inc.*, 352 F.
6 Supp. 2d 1048, 1057 (N.D. Cal. 2004).

7 In addition, courts often require some showing of prejudice by the moving party before
8 granting a motion to strike. *Hernandez v. Dutch Goose, Inc.*, No. C 13-03537 LB, 2013 WL
9 5781476, at *5 (N.D. Cal. Oct. 25, 2013). In resolving a motion to strike, the pleadings must be
10 viewed in the light most favorable to the nonmoving party. *Platte Anchor Bolt*, 352 F. Supp. 2d at
11 1057. “Any doubt concerning the import of the allegations to be stricken weighs in favor of
12 denying the motion to strike.” *Park v. Welch Foods, Inc.*, No. 5:12-CV-06449-PSG, 2015 WL
13 1231035, at *1 (N.D. Cal. Mar. 20, 2014).

14 DISCUSSION

15 I. MOTION TO DISMISS

16 A. Statute of Limitations under 17 U.S.C. § 507(b)

17 Copyright claims must be brought within three years after the claim accrues. 17 U.S.C. §
18 507(b). The Ninth Circuit follows the “discovery rule” of claim accrual; the three-year clock
19 begins when a party discovers, or reasonably should have discovered, the infringement. *See Polar*
20 *Bear Prods., Inc. v. Timex Corp.*, 384 F.3d 700, 706 (9th Cir. 2004). “Where . . . a plaintiff
21 contends that the statute of limitations is not a bar based on the discovery rule . . . , the plaintiff
22 bears the burden of proving the applicability of such.” *Garcia v. Coleman*, No. C-07-2279-EMC,
23 2008 WL 4166854, at *5 (N.D. Cal. Sept. 8, 2008). This inquiry raises a question of fact but may
24 be considered on a motion to dismiss if no reasonable finder of fact could conclude that the
25 claimant’s lack of knowledge was reasonable under the circumstances. *See Goldberg v. Cameron*,
26 482 F. Supp. 2d 1136, 1148 (N.D. Cal. 2007) (dismissing a claimant’s infringement claims as
27 time-barred because his lack of knowledge due to a twenty-year spiritual journey was
28 unreasonable under the circumstances).

1 In addition to the discovery rule, the “separate-accrual rule” in copyright law provides that
2 “when a defendant commits successive violations [of the Copyright Act], the statute of limitations
3 runs separately from each violation. Each time an infringing work is reproduced or distributed,
4 the infringer commits a new wrong. Each wrong gives rise to a discrete ‘claim’ that ‘accrue[s]’ at
5 the time the wrong occurs.” *Petrella v. Metro-Goldwyn-Mayer, Inc.*, 572 U.S. 663, 671 (2014)
6 (footnotes omitted); *see also Media Rights Techs., Inc. v. Microsoft Corp.*, 922 F.3d 1014, 1023
7 (9th Cir. 2019).

8 The parties disagree on when Menzel’s copyright claim accrued. There is no dispute that
9 the Post appeared on InfoWars on April 30, 2012, and so FSS argues that Menzel is barred from
10 bringing a copyright infringement claim against FSS because he reasonably could have discovered
11 the allegedly infringing material by conducting an investigation into the unauthorized use of his
12 photographs. MTD 4, 6. Menzel counters that he did not discover the Post until December 2018.
13 FAAC, pg. 9 ¶ 11. He states that he does not “frequent infowars.com, and could not have
14 reasonably discovered” the Post before that. *Id.* He also asserts that he has regularly enforced his
15 intellectual property rights, having filed eight copyright infringement lawsuits from 2015 to 2018,
16 at least three of which were about the same photographs at issue here. Oppo. 3 n.2 [Dkt. No. 25].
17 He argues that despite taking reasonable steps to protect his copyrighted works, he simply did not
18 discover the allegedly infringing Post on InfoWars until December 2018. *Id.* at 2-3.

19 In reply, FSS argues that Menzel’s “habit of searching for infringement” makes it less
20 reasonable for him to claim it took him seven years to discover the allegedly infringing Post on
21 InfoWars. Reply 2-3 [Dkt. No. 27]. To support its position, FSS relies on facts outside the
22 pleadings, including the functionality of a “Google reverse image search” that purportedly allows
23 a user to use the search engine to “instantaneously identify all the places on the Internet that image
24 is used” *Id.* 2 (quoting Erez Rosenberg, *An Audio-Visual Notice of Use Database: A Solution*
25 *to the Orphan Works Problem in the Internet Age*, 22 UCLA Ent. L. Rev. 95, 121 (2014)). FSS
26 contends that conducting a Google reverse image search would have revealed InfoWars’s use.
27 Reply 2.

28 As noted above, reasonableness of discovering copyright infringement is generally a

1 question of fact. Neither FSS nor Menzel cite any cases supporting their position that Menzel's
 2 delay in discovering the infringement by FSS was either reasonable or unreasonable as a matter of
 3 law.³ Ignoring the extra-judicial facts asserted by FSS (*e.g.*, Google reverse image searching) and
 4 considering only the alleged or admitted facts – that Menzel polices his copyrights but does not
 5 frequent the InfoWars site and that the Post was up as of April 30, 2012 – Menzel's pleading does
 6 not establish as a matter of law that his delay in filing suit was unreasonable.⁴ The Motion to
 7 Dismiss based on the statute of limitations is DENIED.

8 **B. Allegations of Copyright Infringement**

9 To state a claim of direct copyright infringement, claimants must allege ownership of the
 10 allegedly infringed material and that the alleged infringers violated at least one exclusive right
 11 granted to copyright holders in 17 U.S.C § 106. *A&M Records, Inc. v. Napster, Inc.*, 239 F.3d
 12 1004, 1013 (9th Cir. 2001). Those exclusive rights include the right to display and distribute a
 13 work as well as the right to create a derivative work. 17 U.S.C. § 106. Even if a claimant can
 14 show direct infringement, an alleged infringer may avoid liability if the elements of the fair use

16 ³ *But see In re Napster, Inc. Copyright Litig.*, No. C MDL-00-1369-MHP, 2005 WL 289977, at
 17 *1, *3 (N.D. Cal. Feb. 3, 2005) (where plaintiffs owned thousands of copyrighted works and
 18 defendant boasted about its efforts to frustrate copyright laws, a reasonable person in the
 19 claimants' position would have been on notice that Napster may have been infringing on their
 20 copyrights); *Heidari v. Dog Ear Pub. LLC*, No. 5:12-cv-00558-PSG, 2012 WL 1980352, at *1, *3
 (N.D. Cal. June 1, 2012) (author's delay unreasonable as a matter of law where publisher had
 previously made changes to the book, issued press releases, and made the book available for sale
 and the author's representative told plaintiff that she may have a claim for copyright infringement,
 plaintiff's alleged lack of knowledge was unreasonable).

21 ⁴ As a result, I do not need to reach whether the continuing violations rule applies in this context
 22 where an article is original posted outside of the statute of limitations period but remains up and
 23 accessible within the statute of limitations period. I note that the Supreme Court made clear in
Petrella that harm from successive copyright violations is not the same as continuing harm from
 24 past violations. 572 U.S. at 671 n.6. The one-time posting of an article on the internet is not the
 25 same as continued sales of an infringing movie; it is questionable whether continuing violations
 26 can be asserted on the facts alleged here. *See, e.g., Blazheiev v. Ubisoft Toronto, Inc.*, No. 17-cv-
 27 07160-EMC, 2018 U.S. Dist. LEXIS 182728, at *5 (N.D. Cal. Oct. 24, 2018) (concluding that
 28 issuing a press release with infringing content, even where that release was continually accessible,
 did not constitute a "continuing violation" under the DMCA); *Live Face on Web, LLC v. AZ
 Metroway, Inc.*, No. 5:15-cv-01701, 2016 U.S. Dist. LEXIS 108713, at *20 n.4 (C.D. Cal. Aug.
 15, 2016) (holding that where defendants used copyrighted code in 2011 and simply allowed it to
 remain unchanged on their website through 2015, any harm to the plaintiff was based on the 2011
 act of infringement and was not the result of new wrongs that accrued every month the website
 stayed online).

1 defense are shown. *Perfect 10, Inc. v. Amazon.com, Inc.*, 508 F.3d 1146, 1159 (9th Cir. 2007).

2 It is undisputed that Menzel is the owner of the photographs. Menzel alleges that FSS
3 violated his copyright by its display and distribution of the images, as well as the creation of a
4 derivative work in violation of Section 106. FAAC, pg. 10 ¶¶ 18-19. In moving and opposing the
5 motion, the parties discuss only “display”; I will limit my analysis accordingly.

6 **1. Display**

7 Under the Copyright Act, a copyright owner has the exclusive right to display the
8 copyrighted work publicly. 17 U.S.C. § 106. As explained by the Ninth Circuit in *Perfect 10*,
9 “display” means to show a copy of a work, where a copy is a material object in which a work is
10 fixed. 508 F.3d at 1160 (quoting 17 U.S.C. § 101). A work is fixed when its embodiment in a
11 copy, “by or under the authority of the author, is sufficiently permanent or stable to permit it to be
12 perceived, reproduced, or otherwise communicated for a period of more than transitory duration.”
13 17 U.S.C. § 101.

14 In *Perfect 10*, a case relied heavily on by FSS, the Ninth Circuit held that a photograph is a
15 work that is fixed in a tangible medium of expression for purposes of the Copyright Act when it is
16 embodied in a computer’s server. 508 F.3d at 1160 (adopting the “server test”). There, a
17 copyright owner sued Google and Amazon.com for facilitating access to infringing images when
18 they appeared in a Google Image Search and (through an agreement with Google) on Amazon’s
19 website. *Id.* at 1154-57. By facilitating this access, Perfect 10 argued that Google’s search engine
20 directly infringed on its display rights. *Id.* at 1159. The court recognized that when website
21 publishers republished Perfect 10’s images without authorization, Google’s search engine may
22 have “automatically” indexed the underlying websites containing the images and provided
23 thumbnail size versions of them in response to a user’s Google search. *Id.* at 1157. When a user
24 clicked on that thumbnail in the Google search results, the user’s browser accessed the image from
25 the third-party webpage and “in-line [linked]” to the full-size image stored on the third-party
26 computer. *Id.* The image was “framed” by information from Google’s webpage on the user’s
27 screen. *Id.*

28 The court explained that under the Copyright Act, a person “displays a photographic image

1 by using a computer to fill a computer screen with a copy of the photographic image fixed in the
2 computer's memory." *Id.* at 1160. Google directly infringed because its own computer servers
3 stored thumbnail versions of Perfect 10's images and communicated and displayed the thumbnails
4 directly to the user. *Id.* But with respect to the full-size images, the court held that because
5 Google did not store any full-size images on its computer servers, it did not have a "copy" of the
6 image to communicate and display in violation of Perfect 10's copyrights. *Id.* Rather than
7 communicating and displaying a copy of the image itself, Google provided users with HTML
8 instructions, which are "lines of text" and not images. *Id.* at 1161. The HTML instructions "do
9 not themselves cause infringing images to appear on the user's computer screen" but "merely
10 [give] the address of the image to the user's browser." *Id.* The court held that this was not the
11 same as "displaying" an image in violation of the Copyright Act. *Id.*⁵

12 FSS argues that its conduct, as alleged by Menzel, is protected by the *Perfect 10* case
13 because when readers of the Post clicked on Menzel's photographs they were "pointed" to the
14 servers of naturalsociety.com where the images were allegedly stored. It contends that it did not
15 itself store any of the photographs at issue; therefore, the copyright claim must be dismissed.

16 There are two problems with FSS's wholesale reliance on *Perfect 10*. First, FSS cites no
17 case applying the *Perfect 10* server test outside of the context of search engines. Indeed,
18 subsequent cases have refused to apply the *Perfect 10* server test outside of that context. *See, e.g.,*
19 *Goldman v. Breitbart News Network, LLC*, 302 F. Supp. 3d 585, 592 (S.D.N.Y. 2018); *The*
20 *Leader's Inst., LLC v. Jackson (TLI)*, 2017 WL 5629514, at *11 (N.D. Tex. Nov. 22, 2017). While
21 these cases are from outside the Ninth Circuit, FSS has not provided *any* case within the Ninth
22 Circuit applying the server test outside of the search engine context or in the context here, the
23 wholesale posting of copyrighted material on a news site.

24 Second, even if the server test applies – and I am not concluding it does at this juncture – it

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28⁵ Perfect 10 also argued that by "framing" the full-size images, Google was displaying them
because it gave the impression that it was showing the image within a single webpage. *Perfect 10*,
508 F.3d at 1161. The court rejected this argument, holding that it did not matter if the "framing"
caused computer users to believe they were viewing a single webpage because the Copyright Act
does not protect a copyright holder against acts that cause consumer confusion. *Id.*

1 does not preclude the direct infringement claim on this motion to dismiss. As noted above, I have
2 not (and absent apposite case authority will not) take judicial notice that Menzel's photographs
3 were hosted on the naturalsociety.com site and were never saved on InfoWars's servers. While I
4 have taken notice of the Post as presented in a hard copy attached to the Complaint under the
5 doctrine of incorporation, whether the underlying code for the images pointed only to
6 naturalsociety.com and only ever pointed to that site and whether the images were never saved on
7 InfoWars's servers are not facts I can judicially notice at this juncture.

8 Menzel's direct infringement claim has been adequately alleged and the Motion to Dismiss
9 this claim is DENIED.

10 **2. Contributory Infringement**

11 Contributory infringement is the intentional "inducing or encouraging [of] direct
12 infringement." *Metro-Goldwyn-Mayer Studios, Inc. v. Grokster, Ltd.*, 545 U.S. 913, 930 (2005).
13 The Ninth Circuit has held that contributory infringement covers those who provide "material
14 contributions" to the infringing conduct. *Perfect 10*, 508 F.3d at 1171. However, to state a claim
15 of contributory infringement, a copyright holder must first allege direct infringement by a third
16 party. *Id.* at 1169. After clearing this threshold, contributory liability can be imposed "in the
17 context of cyberspace" when plausible facts are alleged that i) the defendant has actual knowledge
18 that specific infringing material is available on its system and; ii) the defendant can take simple
19 measures to prevent further damage to copyrighted works and; iii) the defendant continues to
20 provide access to infringing works. *Id.* at 1171-72.

21 FSS relies on *Tarantino v. Gawker Media, LLC*, No. CV 14-603, 2014 U.S. Dist. LEXIS
22 77726, at *10-12 (C.D. Cal. Apr. 22, 2014) to argue that the contributory negligence claim is not
23 sufficiently pleaded because nowhere in the FAAC does Menzel identify the third-party direct-
24 infringer and because Menzel states no facts that could plausibly suggest FSS knew of the action
25 of that third-party. In *Tarantino*, the screenwriter Quentin Tarantino brought a claim for
26 copyright infringement against a news organization that posted hyperlinks to a leaked copy of his
27 script. 2014 U.S. Dist. LEXIS 77726, at *4-6. Tarantino alleged copyright infringement by the
28 general public but did not identify any particular individual who had infringed on his copyrights

1 because of the news organization's actions. *Id.* at *10-11. He only alleged that the website had
2 provided the means to accomplish an infringing activity, which the court found was insufficient to
3 state a claim for copyright infringement. *Id.* at *10. FSS argues that, here too, Menzel has only
4 alleged that FSS provided the means to accomplish an infringing activity and that is not enough to
5 state a contributory infringement claim. MTD 7.

6 In opposition, Menzel attempts to assert that his claim is sufficiently alleged. At the same
7 time, he points to Natural Society and naturalsociety.com as the third-party direct-infringer and
8 admits that he could "amend to include explicit direct infringement allegations against Natural
9 Society and elaborate on InfoWars's contributions to Natural Society's infringement." Oppo. 6.

10 I agree that the contributory infringement has not been sufficiently pleaded. FSS's Motion
11 to Dismiss is GRANTED with leave to amend.

12 C. FSS's Fair Use Defense

13 The Copyright Act does not grant exclusive rights to the copyright holder. *Sony Corp. of*
14 *Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 432-33 (1984). Section 107 of the Copyright
15 Act provides that use of copyrighted work for "purposes such as criticism, comment, news
16 reporting, teaching . . . , scholarship, or research" is fair use and therefore not an infringement of
17 copyright. 17 U.S.C. § 107. This affirmative defense assumes that copyright infringement has
18 occurred and places the burden on the infringer to show why his use was fair. *Monge v. Maya*
19 *Magazines, Inc.*, 688 F.3d 1164, 1170 (9th Cir. 2012).

20 In determining whether use of copyrighted work is protected under fair use, courts
21 consider:

- 22 (1) the purpose and character of the use, including whether the use is
23 commercial or is for nonprofit educational purposes;
24 (2) the nature of the copyrighted work;
25 (3) the amount and substantiality of the portion used in relation to the
copyrighted work as a whole; and
26 (4) the effect of the use upon the potential market for or value of the
copyrighted work.

27 17 U.S.C. § 107. The doctrine of fair use allows courts flexibility to interpret the copyright statute
when its strict application would restrict the kind of creativity the statute intended to encourage.
28 *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 577 (1994). These factors are assessed on a

case-by-case basis and weighed together in light of the purposes of copyright. *Id.* at 577-78.
Though the fair use defense is a mixed question of law and fact, it may be decided on a motion to dismiss if there are no material facts in dispute. *See Leadsinger, Inc. v. BMG Music Pub.*, 512 F.3d 522, 530 (9th Cir. 2008). Where there is no genuine issue as to any material fact, the court is required to consider all allegations as true to determine whether they support a finding of fair use.
Id.

Menzel asserts there are a number of material facts in dispute that weigh on the fair use determination, including the purpose and character of the Post as compared to Menzel's original purpose and use of the photographs,⁶ the extent to which the Post was used for commercial purposes, and the effect the publication of the Post had on the market for Menzel's licensed photographs and book. *See Oppo.* 9-13; MTD 9-11, 13. Fair use cannot be resolved as a matter of law on this record. The Motion to Dismiss is DENIED on this ground.

D. Violation of the DMCA

Section 1202(b) of the Digital Millennium Copyright Act provides that:

No person shall, without the authority of the copyright owner or the law—

1. intentionally remove or alter any copyright management information;
2. distribute or import for distribution any copyright management information knowing that the copyright management information has been removed or altered without authority of the copyright owner . . . or
3. distribute, import for distribution . . . works [or] copies of works . . . knowing that copyright management information has been removed or altered without authority of the copyright owner . . .

knowing or having reasonable grounds to know that it will induce, enable, facilitate or conceal an infringement of any right under this title.

17 U.S.C. § 1202(b).

Section 1202(c) defines copyright management information (CMI) to include the

⁶ FSS notes that Menzel does not allege infringement of any of the text from *Hungry Planet*, just the use of the copyrighted photographs. MTD 9. The parties dispute whether the photographs are themselves self-explanatory and whether the text added by the Post adds much if anything to the use of the photographs. *Id.*; Oppo. 9-10. This argument raises a question for resolution by the trier of fact.

1 following: “[the] title and other information identifying the work, including the information set
2 forth on a notice of copyright;” “[the] name of, and other identifying information about, the author
3 of a work;” and “[the] name of, and other identifying information about, the copyright owner of
4 the work, including the information set forth in a notice of copyright.” 17 U.S.C. § 1202(c).

5 In the Ninth Circuit, to establish knowing or having reasonable grounds to know that
6 conduct will “induce, enable, facilitate or conceal,” a plaintiff “must make an affirmative showing,
7 such as by demonstrating a past ‘pattern of conduct’ or ‘modus operandi,’ that the defendant was
8 aware or had reasonable grounds to be aware of the probable future impact of its actions.” *Stevens*
9 *v. Corelogic, Inc.*, 899 F.3d 666, 674 (9th Cir. 2018). At the summary judgment stage, this claim
10 requires providing evidence that the alleged infringer knew that the removal of the CMI would
11 “induce, enable, facilitate, or conceal” copyright infringement. *Id.* at 673. At the pleading stage,
12 the claimant must plead facts plausibly showing that the alleged infringer had this required mental
13 state. *Philpot v. Alternet Media, Inc.*, No. 18-cv-04479-TSH, 2018 WL 6267876, at *5 (N.D. Cal.
14 Nov. 30, 2018).

15 Menzel asserts a counterclaim for violation of Section 1202(b) of the DMCA, alleging that
16 FSS or an unidentified counterdefendant intentionally removed the CMI from at least one of his
17 photographs. FAAC, pg. 12 ¶ 27. This CMI, Menzel claims, was “in the form of metadata or
18 visible text attribution,” which he alleges accompanied the photographs on his website. *Id.*, pg. 9
19 ¶ 9. This textual credit noted Menzel’s “authorship and ownership” and the metadata “[reflected]
20 the same.” *Id.*

21 FSS argues that these allegations are insufficient because Menzel does not actually specify
22 which of his photographs had what CMI in each of their forms (digital or in print). MTD 14. It
23 points out that the images reproduced by Menzel in Exhibit A of the FAAC [Dkt. No. 21] do not
24 themselves include any obvious CMI and there is no evidence that any textual credit was removed.
25 MTD 15. It contends that because Menzel does not specify which photographs had CMI removed
26 or altered and does not describe what specific CMI he employed in each medium, Menzel’s
27 allegations are insufficient. *Id.* 14-15. In response, Menzel does not identify where this
28 information is in his FAAC or provide any clarification regarding what he is alleging with respect

1 to what CMI has been removed from which photographs. Instead, he simply restates his general
2 assertions from the FAAC. Oppo. 7-8.

3 I agree that because Menzel has merely alleged that his photographs “were altered to
4 remove certain of [his] copyright management information” without providing any facts to
5 identify which photographs had CMI removed or to describe what the removed or altered CMI
6 was, he has not sufficiently stated a claim under Section 1202(b)(1) with respect to “removal,”
7 much less with respect to distribution under (b)(2) and (b)(3). Regarding distribution, Menzel
8 simply reiterates the legal standard and alleges no facts in support. FAAC, pg. 12-13 ¶¶ 27-28.
9 Without identifying what CMI FSS allegedly distributed or how that was distributed, and without
10 identifying what CMI was removed prior to distribution and how that distribution was
11 accomplished by defendants, Menzel has likewise failed to state a claim under Section 1202(b)(2)
12 and (b)(3).⁷

13 The Motion to Dismiss is GRANTED on the DMCA claim. Menzel is given leave to
14 amend to allege additional facts in support.⁸

15 **II. MOTION TO STRIKE AFFIRMATIVE DEFENSES**

16 FSS also moves to strike ten of Menzel’s twelve affirmative defenses, arguing that they are
17 redundant, impertinent, or lack sufficient facts in support. It does not move to strike Menzel’s first
18 and tenth affirmative defenses for failure to state a claim and improper request for attorneys’ fees.

19 Motions to strike affirmative defenses seldom simplify litigation, and this one is no
20 exception. Menzel has alleged enough facts in the FAAC to support the defenses of “Acted in
21 Good Faith” and “Acts of Third Parties.” FSS’s argument that certain of the affirmative defenses
22 are duplicative of each other (“Unclean Hands,” “Failure to Mitigate,” “Acts and Omissions,”
23 “Consent,” “Lack of Injury or Damages,” and “Unjust Enrichment,” MTS 5-7) may ultimately

24
25 ⁷ FSS argues it cannot be liable for any “distribution” under (b)(3) because the photographs were
26 hosted on naturalsociety.com and not on its servers. Reply 14. However, as above, those
assertions of fact are not properly considered on this Motion to Dismiss.

27 ⁸ In his Opposition, Menzel argues that FSS also violated 17 U.S.C. § 1202(a) by “[displaying]”
28 his photographs under an InfoWars byline, “with a footer that states © Infowars.com is a Free
Speech Systems, LCC Company. © 2018.” Oppo. 8. Menzel does not allege this in his
counterclaims, but if he wishes to pursue this claim, he may attempt to do so when he amends.

1 prove to be true, but their assertion does not add complexity to this action and will not require FSS
2 to incur additional time or expend additional money to defend this action. *See Arnett v. Seaside*
3 *Trans. Servs., LLC*, No. 13-cv-01672-WHO, 2014 WL 117325, at *5 (N.D. Cal. Jan. 13, 2014). It
4 makes more sense to see how the evidence develops before dismissing these defenses. Finally, the
5 defenses of “Contributory/Comparative Negligence and Assumption of Risk” and “No Wrongful
6 Act,” (MTS 6-7) might be relevant to defeat FSS’s claim for attorneys’ fees. Oppo. to MTS 5-6
7 [Dkt. No. 24]. They are not “impertinent.” *Id.* In any event, there is no prejudice to FSS if those
8 defenses remain in this case at this time; FSS will not be required to separately litigate them or to
9 incur additional costs in discovery. The Motion to Strike is DENIED.

10 **CONCLUSION**

11 FSS’s Motion to Dismiss is GRANTED in part and DENIED in part. Menzel did not
12 unreasonably delay in bringing his claims as a matter of law. He sufficiently states a copyright
13 claim for direct infringement, but fails to plead a contributory infringement claim and is given
14 leave to amend that claim. FSS’s fair use defense cannot be resolved as a matter of law on this
15 record. Menzel fails to state a claim under the DMCA, but is given leave to amend. FSS’s
16 Motion to Strike the affirmative defenses is DENIED.

17 **IT IS SO ORDERED.**

18 Dated: June 18, 2019

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William H. Orrick
United States District Judge

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